

MONTANA LEGISLATIVE HISTORY

Chapter 447 19 91

Bill H _____ S _____ Original bill & history C

H. Committee on Business & Economic Dev. S. Committee on Business & Industry

Hearing Date(s) 3-19 _____ C

Hearing Date(s) 2-20 _____ C

_____ C

_____ C

_____ C

_____ C

_____ C

_____ C

Date Out 3-19 _____ C

Did this bill originate in an interim committee? Yes No

Committee _____

Report _____

SENATE FINAL STATUS

SB 330

4/23	2ND READING CONFERENCE COMMITTEE REPORT NO. 1 ADOPTED	84	5
4/23	3RD READING CONFERENCE COMMITTEE REPORT NO. 1 ADOPTED	89	8
4/25	SIGNED BY PRESIDENT		
4/29	SIGNED BY SPEAKER		
4/29	TRANSMITTED TO GOVERNOR		
5/01	SIGNED BY GOVERNOR CHAPTER NUMBER 739		

EFFECTIVE DATE: 10/01/91

SB 328 INTRODUCED BY PIPINICH, ET AL.

ALLOW COLLECTION OF SEWER AND WATER ASSESSMENTS WITH
GENERAL TAXES

2/08 INTRODUCED
2/08 REFERRED TO LOCAL GOVERNMENT
2/09 FIRST READING
2/14 HEARING
2/21 TABLED IN COMMITTEE

SB 329 INTRODUCED BY PIPINICH, ET AL.

BODY ARMOR FOR HIGHWAY LAW ENFORCEMENT PERSONNEL

2/08	INTRODUCED		
2/08	REFERRED TO HIGHWAYS & TRANSPORTATION		
2/09	FIRST READING		
2/09	FISCAL NOTE REQUESTED		
2/15	FISCAL NOTE RECEIVED		
2/15	FISCAL NOTE PRINTED		
2/19	HEARING		
2/20	COMMITTEE REPORT—BILL PASSED		
2/21	2ND READING PASSED	49	0
2/22	3RD READING PASSED	40	9
	TRANSMITTED TO HOUSE		
3/04	FIRST READING		
3/04	REFERRED TO HIGHWAYS & TRANSPORTATION		
3/15	HEARING		
3/18	COMMITTEE REPORT—BILL CONCURRED		
3/20	2ND READING CONCURRED	71	26
3/21	3RD READING CONCURRED	75	24
	RETURNED TO SENATE		
3/28	SIGNED BY PRESIDENT		
4/02	SIGNED BY SPEAKER		
4/02	TRANSMITTED TO GOVERNOR		
4/04	SIGNED BY GOVERNOR CHAPTER NUMBER 333		

EFFECTIVE DATE: 10/01/91

SB 330 INTRODUCED BY MANNING, ET AL.

ALLOW BOARD OF HORSERACING EXECUTIVE SECRETARY
TO PRESCRIBE STATE STEWARD SALARY & DUTIES

2/08	INTRODUCED		
2/08	REFERRED TO BUSINESS & INDUSTRY		
2/09	FIRST READING		
2/09	FISCAL NOTE REQUESTED		
2/15	FISCAL NOTE PRINTED		
2/15	FISCAL NOTE RECEIVED		
2/20	HEARING		
2/20	COMMITTEE REPORT—BILL PASSED		
2/21	2ND READING PASSED	47	2
2/22	3RD READING PASSED	47	3
	TRANSMITTED TO HOUSE		
3/04	FIRST READING		

3/04	REFERRED TO BUSINESS & ECONOMIC DEVELOPMENT		
3/19	HEARING		
3/20	COMMITTEE REPORT—BILL CONCURRED		
4/06	2ND READING CONCURRED	91	3
4/06	ON MOTION RULES SUSPENDED TO PLACE ON 3RD READING THIS DAY		
4/06	3RD READING CONCURRED	93	4
	RETURNED TO SENATE		
4/13	SIGNED BY PRESIDENT		
4/15	SIGNED BY SPEAKER		
4/15	TRANSMITTED TO GOVERNOR		
4/17	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 447		
		EFFECTIVE DATE: 4/16/91	

SB 331 INTRODUCED BY FRANKLIN, ET AL.

REVISE LAWS RELATED TO COUNTY CORONERS, INQUESTS,
AND INQUIRIES

2/08	INTRODUCED		
2/08	REFERRED TO JUDICIARY		
2/09	FIRST READING		
2/19	HEARING		
2/23	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/25	2ND READING PASSED	46	3
2/26	3RD READING PASSED	41	9
	TRANSMITTED TO HOUSE		
3/04	FIRST READING		
3/04	REFERRED TO JUDICIARY		
3/15	HEARING		
3/26	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
4/06	2ND READING CONCURRED	91	0
4/06	ON MOTION RULES SUSPENDED TO PLACE ON 3RD READING THIS DAY		
4/06	3RD READING CONCURRED	96	1
	RETURNED TO SENATE WITH AMENDMENTS		
4/17	2ND READING AMENDMENTS CONCURRED	49	0
4/18	3RD READING AMENDMENTS CONCURRED	49	0
4/23	SIGNED BY PRESIDENT		
4/24	SIGNED BY SPEAKER		
4/24	TRANSMITTED TO GOVERNOR		
4/26	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 660		
		EFFECTIVE DATE: 10/01/91	

SB 332 INTRODUCED BY GAGE

PROHIBIT SALE OF SMOKELESS TOBACCO TO MINORS

2/08	INTRODUCED
2/08	REFERRED TO PUBLIC HEALTH, WELFARE & SAFETY
2/09	FIRST READING
2/18	HEARING
2/22	TABLED IN COMMITTEE

SB 333 INTRODUCED BY GAGE

SPECIFY REQUIREMENTS FOR A MONTANA SHAREHOLDER WITH
REGARD TO INDIVIDUAL INCOME TAX TREATMENT
BY REQUEST OF DEPARTMENT OF REVENUE

2/08	INTRODUCED
2/08	REFERRED TO TAXATION
2/09	FIRST READING
2/09	FISCAL NOTE REQUESTED
2/13	FISCAL NOTE RECEIVED
2/14	HEARING

SENATE BILL NO. 330

INTRODUCED BY MANNING, SWYSGOOD, LYNCH,
HARPER, PETERSON, JACOBSON

IN THE SENATE

FEBRUARY 8, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON BUSINESS & INDUSTRY.

FIRST READING.

FEBRUARY 20, 1991 COMMITTEE RECOMMEND BILL
DO PASS. REPORT ADOPTED.

FEBRUARY 21, 1991 PRINTING REPORT.

SECOND READING, DO PASS.

FEBRUARY 22, 1991 ENGROSSING REPORT.

THIRD READING, PASSED.
AYES, 47; NOES, 3.

TRANSMITTED TO HOUSE.

IN THE HOUSE

MARCH 4, 1991 INTRODUCED AND REFERRED TO COMMITTEE
ON BUSINESS & ECONOMIC DEVELOPMENT.

FIRST READING.

MARCH 20, 1991 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

APRIL 6, 1991 SECOND READING, CONCURRED IN.

ON MOTION, RULES SUSPENDED. BILL
PLACED ON THIRD READING THIS DAY.

THIRD READING, CONCURRED IN.
AYES, 93; NOES, 4.

RETURNED TO SENATE.

IN THE SENATE

APRIL 9, 1991 RECEIVED FROM HOUSE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *Senate* BILL NO. *330*
 2 INTRODUCED BY *Richard E. Manning*
 3 *Hayden Peterson*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE
 5 EXECUTIVE SECRETARY OF THE BOARD OF HORSERACING, SUBJECT TO
 6 BOARD OF HORSERACING RULES, TO PRESCRIBE THE DUTIES AND
 7 SALARY OF INDIVIDUALS EMPLOYED AS STATE STEWARDS AT
 8 AUTHORIZED MONTANA RACE MEETS; EXEMPTING STATE STEWARDS FROM
 9 THE STATE COMPENSATION AND PAY PLAN; AMENDING SECTIONS
 10 2-18-103 AND 23-4-106, MCA; AND PROVIDING AN IMMEDIATE
 11 EFFECTIVE DATE."
 12

13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

14 **Section 1.** Section 23-4-106, MCA, is amended to read:

15 "23-4-106. Executive secretary -- powers and duties --
 16 staff -- prohibition on racing activities. (1) The
 17 department shall appoint an executive secretary for the
 18 board.

19 (2) The executive secretary, in accordance with rules
 20 adopted by the board and provisions of this chapter, shall:

21 (a) supervise race meets and activities of racing
 22 officials;

23 (b) hire all state racing officials for the department;

24 (c) inspect race facilities; and

25 (d) prescribe the duties and salary of state stewards;

1 and

2 (d)(e) perform other duties as directed by the board.

3 (3) The executive secretary may, subject to the
 4 approval of the board, hire staff to assist him in
 5 performing his duties.

6 (4) The executive secretary, a member of his staff, and
 7 any member of the executive secretary's or a staff member's
 8 immediate family are prohibited from owning, training, or
 9 having any interest in a racehorse or mule running on a
 10 Montana track or having any financial interest in any
 11 Montana racing association. No racing official hired by the
 12 department or approved by the board may wager at a race meet
 13 at which he presides."

14 **Section 2.** Section 2-18-103, MCA, is amended to read:

15 "2-18-103. Officers and employees excepted. Parts 1 and
 16 2 do not apply to the following positions in state
 17 government:

18 (1) elected officials;

19 (2) county assessors and their chief deputy;

20 (3) officers and employees of the legislative branch;

21 (4) judges and employees of the judicial branch;

22 (5) members of boards and commissions appointed by the
 23 governor, the legislature, or other elected state officials;

24 (6) officers or members of the militia;

25 (7) agency heads appointed by the governor;

1 (8) academic and professional administrative personnel
2 with individual contracts under the authority of the board
3 of regents of higher education;

4 (9) academic and professional administrative personnel
5 and live-in houseparents who have entered into individual
6 contracts with the state school for the deaf and blind under
7 the authority of the state board of public education;

8 (10) teachers under the authority of the department of
9 institutions or family services;

10 (11) investment officer, assistant investment officer,
11 executive director, and three professional staff positions
12 of the board of investments;

13 (12) four professional staff positions under the board
14 of oil and gas conservation;

15 (13) assistant director for security of the Montana
16 state lottery;

17 (14) executive director and senior investment officer of
18 the Montana board of science and technology development; and
19 (15) executive director and employees of the state
20 compensation mutual insurance fund; and

21 (16) state racing stewards employed by the executive
22 secretary of the Montana board of horseracing."

23 NEW SECTION. Section 3. Effective date. [This act] is

24 effective on passage and approval.

-End-

-3-

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0330, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

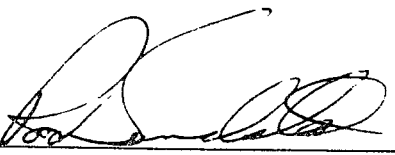
An act authorizing the executive secretary of the Board of Horseracing, subject to the Board of Horseracing rules, to prescribe the duties and salary of individuals employed as state stewards at authorized Montana race meets; exempting state stewards from the state compensation and pay plan; amending sections 2-18-103 and 23-4-106, MCA; and providing an immediate effective date.

ASSUMPTIONS:

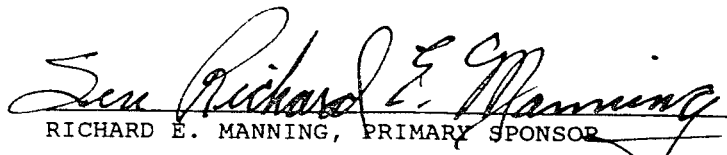
1. The state stewards have historically been employed and paid at a daily rate set each year by the board, which had the effect of making them exempt from the state compensation and pay plan.
2. Recently the Personnel Division of the Department of Administration determined that state stewards are not being compensate appropriately according to state compensation rules because they are not included in the "exempt from classification" status in MCA.
3. The executive budget recommendation for the Board of Horseracing of the Department of Commerce currently contains the cost for exempt state steward positions.

FISCAL IMPACT:

None



ROD SUNDSTED, BUDGET DIRECTOR 2-14-91
Office of Budget and Program Planning DATE



RICHARD E. MANNING, PRIMARY SPONSOR 2/15/91
Fiscal Note for SB0330, as introduced. DATE
SB 330

MONTANA LEGISLATIVE COUNCIL BILL STATUS SYSTEM
 FINAL COMMITTEE REPORT OF REFERRED BILLS
 COMMITTEE--(S) BUSINESS & INDUSTRY

PAGE NBR..... 182
 RUN TIME13:25
 RUN DATE.... 06/04/91

CHAIRMAN--J. D. LYNCH
 NORMAL SCHEDULE==> SITE: ROOM 410

DAYS: M,T,W,T,F

TIME: 10:00 A.M.

SECRETARY-DARA ANDERSON

---BILL NO---	REFER DATE---	HEARING DATE---	CONSIDERATION DATES-----	COMMITTEE ACTION-----	REREFERRED TO COMM----	DATE OUT-
SB0316	2/08	2/22		TABLED ON 02/22		
BLAYLOCK, CHET			ADD PARTIAL HOSPITALIZATION BENEFITS TO MENTAL ILLNESS, ALCOHOL, DRUG POLICY			
SB0323	2/08	2/21		PASS AS AMENDED		2/21
BECK, TOM			REVISING MOTOR VEHICLE DEALER LAW			
SB0324	2/08	2/18		ADVERSE RPT ADOPT		2/22
WILLIAMS, BOB			PROHIBIT COLLISION DAMAGE WAIVERS IN AUTOMOBILE RENTAL AGREEMENTS			
SB0330	2/08	2/20		DO PASS		2/20
MANNING, DICK			ALLOW BD OF HORSERACING EXEC SECY TO PRESCRIBE STATE STEWARD SALARY & DUTIES			
SB0335	2/08	2/18		PASS AS AMENDED		2/18
NOBLE, JERRY			REVISE EXCAVATION PROCEDURES NEAR UNDERGROUND FACILITIES			
SB0360	2/18	2/21		DO PASS		2/21
GAGE, DEL			CONFIDENTIALITY AND EVIDENTIAL PRIVILEGE FOR ACCOUNTING REVIEW BOARDS			
SB0361	2/13	2/19		PASS AS AMENDED		2/21
THAYER, GENE			REVISE AIRPORT AUTHORITY ACT			
SB0363	2/13	2/20		PASS AS AMENDED		2/21
MANNING, DICK			REVISE SIMULCAST RACES AND EXOTIC WAGERING WITHHOLDING			
SB0366	2/13	2/19		PASS AS AMENDED		2/19
FRANKLIN, EVE			REQUIRE HEALTH INSURANCE COVERAGE FOR MAMMOGRAPHY EXAMINATIONS			
SB0380	2/14	2/21		ADVERSE RPT ADOPT		2/21
RYE, DAVID			REGULATION AND LICENSE FEES BE USED BY INSURANCE DEPARTMENT FOR OPERATIONS			
SB0387	2/14	2/21		PASS AS AMENDED		2/22
THAYER, GENE			REQUIRE LANDLORD PROVIDE TENANT WITH COPY OF LAWS PERTINENT TO SEC. DEPOSITS			

MINUTES

MONTANA SENATE 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & INDUSTRY

Call to Order: By Chairman J.D. Lynch, on February 20, 1991, at 10:00 a.m.

ROLL CALL

Members Present:

J.D. Lynch, Chairman (D)
John Jr. Kennedy, Vice Chairman (D)
Betty Bruski (D)
Eve Franklin (D)
Delwyn Gage (R)
Thomas Hager (R)
Jerry Noble (R)
Gene Thayer (R)
Bob Williams (D)

Members Excused: None

Staff Present: Bart Campbell (Legislative Council).

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Announcements/Discussion: None

HEARING ON SENATE BILL 330

Presentation and Opening Statement by Sponsor:

Senator Richard E. Manning, sponsor of the bill, stated that this bill was an act authorizing the executive secretary of the board of horseracing, subject to board of horseracing rules, to prescribe the duties and salary of individuals employed as state stewards at authorized Montana race meets; exempting state stewards from the state compensation and pay plan; amending sections 2-18-103 and 23-4-106, mca; and providing an immediate effective date. This is not a complicated bill. A state steward is paid a lot different than a state employee.

Proponents' Testimony:

Sam Murfitt, executive secretary for the board of horseracing, spoke in favor of the bill (See Exhibit 1).
Andy Poole, deputy director of the department of commerce,

stated the that department fully supports this piece of legislation, and thinks it's critical to the continuing good operation of the horseracing.

Steve Meloy, past executive secretary of the board of horseracing, spoke in favor of the bill (See Exhibit 2).

Gary Koepplin, past executive secretary of the board of horseracing, stated that he is in favor of the bill and urged the committee's support.

Geoffrey Brazier, representing the horsemens benevolent and protective association (HBPA), stated that the association is in support of the bill.

Opponents' Testimony:

None

Questions From Committee Members:

None

Closing by Sponsor:

Senator Richard Manning closed.

HEARING ON SENATE BILL 363

Presentation and Opening Statement by Sponsor:

Senator Richard Manning, sponsor of the bill, stated that this bill is an act revising the law governing horseracing; expanding the types of simulcast races that the board of horseracing may approve; authorizing licensees to withhold an additional one percent on exotic wagering; amending sections 23-4-301 and 23-4-302, mca; and providing an immediate effective date.

Proponents' Testimony:

Don Chance, representing the race tracks county fair boards, stated that simulcast horseracing was instituted several years ago to provide supplemental financial support for the county fair facilities and horse race tracks and also the Montana horse training horse breeding industry. Simulcast has been successful in achieving those goals, but now with several years of experience he know's that there is some fine tuning that is necessary to the statutes. This would allow simulcasting to work more efficiently to meet objectives.

Jay Belden, director of racing at Montana state fair race meet in Great Falls, stated that they regard SB 363 as a house keeping bill. The statute currently is too limiting to give them the latitude they need to utilize the tool of simulcast wagering.

Questions From Committee Members:

Senator Thayer stated that nobody had testified about the stricken language. He asked why this language is being stricken.

Jay Belden stated that he spoke to that only indirectly. They are granted thirty six days for 1991. When he discussed the fact that they want to bring in races from out of state on Monday, Tuesday, and Wednesday during the fair those aren't actually race meet dates. Those days are not actually their race meet days, because their race meet the thirty six day meet. In order to allow them to bring in races on the dark days, that is why this is stricken.

Senator Thayer stated that the questions that will be asked is if you strike that language you could effectively run the races that have already been run. The language has to be cleaned up.

Jay Belden stated that just a matter of definition in their rules, simulcast is defined as simultaneous racing, this doesn't refer to that.

Gary Omison stated that basically what this bill addresses has already been done in Montana for a number of years. The Kentucky derby will be a nationally telecasted race. The last chance stampede in Helena will be running races, if the race comes off at 5:30 p.m. on that Saturday in Helena they may race races 1, 2, 3, 4, 5 take the Kentucky derby live, then race races 6, 7, 8, 9.

Senator Thayer stated that he doesn't oppose the bill, he just wants to help them because with this language the bill will be killed on the floor, because somebody's going to think there is some mischief going on.

Closing by Sponsor:

Senator Manning stated that this bill is a good clean up measure.

EXECUTIVE ACTION ON SENATE BILL 330Motion:

Senator Thayer moved that SB 330 do pass.

Discussion:

None

Amendments, Discussion, and Votes:

None

Recommendation and Vote:

SB 330 do passed unanimously.

HEARING ON SENATE BILL 394

Presentation and Opening Statement by Sponsor:

Senator Paul Svrcek, sponsor of the bill, stated that this bill deals with utilization review. Utilization review is a system by which primarily a third party provider reviews the circumstances under which they will provide payment for a various medical services. Utilization review is a good process, it helps keep costs down. Many other states have codes on the books that regulate utilization review because of some problems. Those problems stem from situations whereby a person feels that they are covered for a certain medical service, and they go and have the service, then are surprised when the third party provider comes and says that the service is not covered and they have been rejected. There is a serious problem that has developed in Montana regarding drug and alcohol rehabilitation as well as mental healthcare. Senate bill 394 in no way prohibit utilization review, but it does set down certain criteria which would govern the use of utilization review.

Proponents' Testimony:

Mona Sumner, clinical director of the Rimrock Foundation in Billings, MT, spoke in favor of the bill (See Exhibit 6 and 6A).

Mary Huntington-Lehner, a licensed social worker in Montana as well as a chemical dependency counselor, stated that the people she works with have increasing lost power and control in themselves and their behaviors as a result of their having lost control over substances, such as alcohol, etc. They are asking for the benefits that they have paid for to be delivered for this type of treatment. The insurance companies are losing control over the amount of money that is being spent on the healthcare. It is the individual and their families that suffer as a result.

Mike Rupert, president of the chemical dependency program of Montana and executive director of the Boyd Andrew chemical dependency care center in Helena, stated that the trends of utilization review are benefitting out patient programs.

John Shontz, representing the Montana health association, stated that he appears today on behalf of the consumers and not the providers. This legislation does not abolish utilization review, it regulates it. He suggested an amendment for page four of the bill, line nineteen so it reads "that has been approved by the commissioner".

Mona Jamieson, representing the rocky mountain treatment center, stated that this is a bill is disclosure. It is not a bill that eliminates or outlaws utilization review. This bill is about fairness and disclosure. Let's have a fair playing field.

Dan Edwards, international representative for the quail chemical and atomic workers international union, stated that

ROLL CALL

BUSINESS &
INDUSTRY COMMITTEE

DATE 2/20/91

LEGISLATIVE SESSION

NAME	PRESENT	ABSENT	EXCUSED
BRUSKI	X		
FRANKLIN	X		
GAGE	X		
HAGER	X		
NOBLE	X		
THAYER	X		
WILLIAMS	X		
KENNEDY	X		
LYNCH	X		

Each day attach to minutes.

COMMITTEE ON

DATE

2/20/91

BUSINESS & INDUSTRY

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Sam Yarnes	Western Montana Fair Association	363	✓	
Jeffrey L. Brazier	H BPA	330T 363	L	
Dave Rogers	Kavalli County Fair	SB 330 SB 363	L	
Dan CHANCE	MT. TREES	SB 363	✓	
George LEHNER	Rocky Mt. Tr Center	SB 394	L	
Max Lehner	Rocky Mountain Travel Center	SB 394	✓	
Moni Sumner	Bismack Ind	SB 394		
Robert W. Olsen	MT Hospital Assoc	SB 394	✓	
Dancy Elly	SRS Medicaid			✓
Ed. [unclear]	Removal Fdn	SB 394	✓	
John Ebzery	St Vincent Hospital	SB 394	✓	
Tom Hopgood	Health Ins Assoc Amer	SB 394		✓
Pat Melloy	Removal Foundation	SB 394	✓	
John Shontal	Mental Health Ass	SB 394	✓	
Andy Ponce	DEPT OF Commerce	SB 390	✓	
Steve Brown	Blue Cross - Blue Shield	SB 394		✓
LARRY AKEY	MT ASSOC OF LIFE UNDERWRITERS	SB 394		✓
LARRY AKEY	CLAIMING INDUSTRY ASSOCIATION	SB 363 w/ AMEND		
Bonnie [unclear]	MT Characteristic Assn	SB 394		X
DAN EDWARDS	OCIAW	SB 394	X	
Dave Barnhill	Insurance dept.	SB 394	X	X
Klaus Hartman	MEFA	SB 394		X
JUDITH H. Carlson	MT CA - NA SW	SB 394	X	
Mary McIner	MMHCA	SB 394	X	

(Please leave prepared statement with Secretary)

WITNESS STATEMENT

To be completed by a person testifying or a person who wants
their testimony entered into the record.

Dated this 20 day of Feb., 1991.

Name: JAM MURFITT

Address: HELENA, MT

Telephone Number: 444-4287

Representing whom?

Mont. BOARD of HORSERACING

Appearing on which proposal?

SB 330

Do you: Support? ✓ Amend? Oppose?

Comments:

[illegible]

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 20. day of FEBRUARY, 1991.

Name: GEOFFREY L. BRAZIER

Address: 516 HARRISON
HELENA

Telephone Number: 442 - 2733

Representing whom?

HORSEMAN'S BENEVOLENT & PROTECTIVE ASSN (HBSA)

Appearing on which proposal?

S 330 - 5363

Do you: Support? ☒ Amend? ☐ Oppose? ☐

Comments:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

ROLL CALL VOTE

SENATE COMMITTEE BUS. & IND.

Date 2/20/91 Bill No. SB 330 Time 10:00

NAME	YES	NO
WILLIAMS		
THAYER	X	
NOBLE		
HAGER	X	
GAGE		
FRANKLIN	X	
BRUSKI	X	
KENNEDY	X	
LYNCH		

DARA ANDERSON
Secretary

JD LYNCH
Chairman

Motion: DO PASS

POSITION STATEMENT
HORSE RACING STEWARDS

The racing stewards hired by the executive secretary for the Board of Horse Racing have been employed and paid for the past 15 years at a daily rate which is set each year by the Board. This rate has been historically determined on the basis of rates paid stewards in neighboring states. It has recently been brought to our attention by the State Personnel Division that these employees are not being compensated appropriately according to state compensation rules because they are not included in the "exempt from classification" status in the MCA's.

Horse Racing stewards have the responsibility for insuring that all Rules of racing are strictly adhered to at each live race meet as well as having the overall responsibility of insuring the integrity of the on-track racing industry.

The alternatives offered by state personnel included attempting to classify the employees within the state classification system or, as an alternative, to contract for the services of the state stewards.

The option to classify the state stewards is not realistic because the daily rate paid for their services was set at \$170.00 per day for race days and \$100.00 per day for draw days. This \$170.00 daily rate if annualized would be equivalent to a grade 20, step 11. It is not realistic to expect that State Personnel would classify these employees at that level for the duties being performed. In addition, state stewards are not employed in the same fashion as a "normal" state employee. The work is seasonal, lasting usually from May through September. A number of people are employed as state stewards and they are assigned to work certain race meets. This means that as individuals they may be employed anywhere from 8 to 40 actual working days. In aggregate, all of these individuals comprise no more than one full-time equivalent position. Therefore, although the daily rate seem high, as individuals they do not earn a substantial amount of money and the amount paid is in line with opportunities in surrounding states.

An alternative to classification involves contracting with these individuals to act as stewards at state race meets. This option has been evaluated extensively within the agency and, while it is a viable option, it does not represent the best alternative. The Board would still be required to pay an equivalent amount under contract in order to employ these people. In addition, the Board would pay considerably more for workers compensation for these individuals as private contractors than would be the case where they are paid as state employees. It is likely that contracting in this particular situation would adversely affect the Boards expenses. This is particularly onerous given the fact that board

revenues have been decreasing steadily over the last several years primarily due to the increase in casino type gambling in Montana.

A third option which represents the best policy alternative for the Board of Horse Racing is to amend state statute so that the state stewards can be compensated as exempt employees. Again, this is an aggregate position which in total represents on FTE. This is the least costly alternative, the only practical alternative, and continues a method of compensation which has been in place for about 15 years.

TESTIMONY

2/30/91

SENATE BILL 330

Steve Meloy
Department of Commerce

Mr. Chairman, members of the Committee, for the record, my name is Steve meloy. I am past Executive Secretary to the Board of Horseracing having served through its hay days from 1982 through 1985.

I support this piece of Legislation as an important administrative guarantee that the integrity of the industry will be upheld by the hiring of the most qualified stewards to preside over every aspect of racing.

This can be accomplished by giving the Board, through the Department of Commerce, the ability to pay from its earmarked funds a salary which is not only competitive with other states but allows the hiring of experienced an competent personnel.

The very nature of a short season combined with the need to pay an appropriate salary makes the FTE aggregate for the Board of Horseracing incompatible with the classification system.

For these reasons, I lend my support for Senate Bill 330.

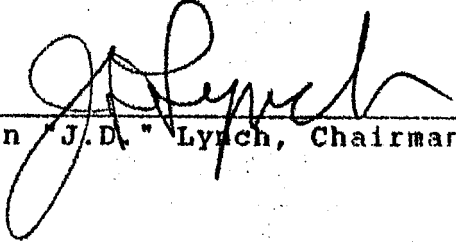
Thank you.

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
February 20, 1991

MR. PRESIDENT:

We, your committee on Business and Industry having had under consideration Senate Bill No. 330 (first reading copy -- white), respectfully report that Senate Bill No. 330 do pass.

Signed: 
John "J.D." Lynch, Chairman

JA 2-20-91
Asst. Coord.

SB 2-20-91
Sec. of Senate

2:00

391244SC.Sji

CHAIRMAN--BOB BACHINI
NORMAL SCHEDULE==> SITE: ROOM 312-3

DAYS: M,T,W,T,F

TIME: 8:00 A.M.

SECRETARY-JO LAHTI

BILL NO	REFER DATE	HEARING DATE	CONSIDERATION DATES	COMMITTEE ACTION	REREFERRED TO COMM	DATE OUT
SB0323 BECK, TOM	3/04	3/13	REVISING MOTOR VEHICLE DEALER LAW	CONCUR		3/13
SB0330 MANNING, DICK	3/04	3/19	ALLOW BD OF HORSERACING EXEC SECY TO PRESCRIBE STATE STEWARD SALARY & DUTIES	CONCUR		3/20
SB0335 NOBLE, JERRY	3/04	3/14	REVISE EXCAVATION PROCEDURES NEAR UNDERGROUND FACILITIES	CONCUR		3/14
SB0360 GAGE, DEL	3/04	3/14	CONFIDENTIALITY AND EVIDENTIAL PRIVILEGE FOR ACCOUNTING REVIEW BOARDS	CONCUR		3/14
SB0363 MANNING, DICK	3/04	3/19	REVISE SIMULCAST RACES AND EXOTIC WAGERING WITHHOLDING	CONCUR		3/20
SB0369 JACOBSON, JUDY	3/18	3/22	PROHIBIT SALE OR DISTRIBUTION OF TOBACCO PRODUCTS TO MINORS	TABLED ON 03/22		
SB0394 SVRCEK, PAUL	3/04	3/15	REGULATE CONDUCT OF UTILIZATION REVIEWS BY HEALTH INSURERS	CONCUR AS AMENDED		3/21
SB0424 HAGER, TOM	3/04	3/15	REVISE THE TERMS OF CONVERSION OF CERTAIN INSURANCE POLICIES	CONCUR		3/15
SB0433 BECK, TOM	3/04	3/13	PROHIBIT COERCION OF CAR DEALERS TO FORCE THEM TO JOIN IN AD OR SALE PROGRAM	CONCUR		3/13
SJ0008 BROWN, BOB	2/05	2/08	RESOLUTION TO CHARGE FDIC PREMIUMS ON DEPOSITS IN FOREIGN BRANCH OF US BANKS	CONCUR		2/08

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT

Call to Order: By CHAIRMAN BOB BACHINI, on March 19, 1991, at 8:00 A.M.

ROLL CALL

Members Present:

Bob Bachini, Chairman (D)
Sheila Rice, Vice-Chair (D)
Joe Barnett (R)
Steve Benedict (R)
Brent Cromley (D)
Tim Dowell (D)
Alvin Ellis, Jr. (R)
Stella Jean Hansen (D)
H.S. "Sonny" Hanson (R)
Tom Kilpatrick (D)
Dick Knox (R)
Don Larson (D)
Scott McCulloch (D)
Bob Pavlovich (D)
John Scott (D)
Don Steppler (D)
Rolph Tunby (R)
Norm Wallin (R)

Staff Present: Paul Verdon, Legislative Council
Jo Lahti, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

HEARING ON SB 330

Presentation and Opening Statement by Sponsor

SEN. STEVE DOHERTY, SD 20, Great Falls, said SB 330 provides that the Horseracing Board can prescribe the duties and salaries of state racing stewards, and provide that state racing stewards employed by the executive of the Montana Board of Horseracing be exempt from the state pay plan. This is a housecleaning measure, an attempt to give some clear direction about who has control over the racing stewards, that the state pay plan will not be impacted by those racing stewards.

Proponents' Testimony:

Sam Murfitt, Executive Secretary of the Montana Board of Horseracing, represents the Board as a proponent for SB 330. The state steward has been treated as an exempt position from the state classification plan for approximately fifteen years. The Board is asking to continue to do that. Mr. Murfitt reviewed a position statement. EXHIBIT 1

Jeff Brazier, lobbyist for the Horsemen's Benevolent and Protective Association (HBPA), represents the Montana Division of the national association of thoroughbred racehorse owners and trainers. There are approximately 600 licensees under horseracing representing about one-fourth of the occupational licensees. HBPA supports SB 330.

Opponents' Testimony: None.

Questions From Committee Members:

REP. WALLIN asked why the state is involved in determining the pay for stewards.

Mr. Murfitt replied the State Board of Horseracing, Department of Commerce, employs the stewards. There are three stewards present at each race meet in Montana: one is called the State Steward who the state appoints and compensates; one is the Deputy State Steward who the state appoints and the association conducting the meet pays; and the third is the Association Steward which is chosen and paid by the track where the meet is held. This is a key position for the integrity of racing, and the Board feels it needs to have control of the individual in the steward's box.

REP. WALLIN asked if this bill has to do with the one State Steward?

Mr. Murfitt replied that is correct.

REP. WALLIN asked if it was correct that the Board wished the pay of the State Steward to be comparable to the pay of the other two that are paid by the private sector.

Mr. Murfitt replied no. For the last 15 years, the State Steward has been exempt. Notice was received from state personnel that the Board could not pay the Steward at that rate. Either the position should be classified in the state 20-step pay plan or do something different. There are eight individuals hired, for a total amount of \$30,000 for the entire year. The rate is \$170 per day for each race day for State Stewards. The tracks pay \$150 per day for the Deputy Steward and \$175 for the other. The state of Washington pays almost \$300 for their State Steward, Wyoming pays \$225. This bill attempts to get the Steward on exempt status. The State Stewards and the Board have an employee/employer relationship. The stewards are the Board's

eyes at the meets.

Closing by Sponsor:

SEN. DOHERTY closed.

HEARING ON SB 363

Presentation and Opening Statement by Sponsor:

SEN. DOHERTY, SD 20, Great Falls, referred to Page 2 of the bill that affects the ability to simulcast live races from other areas in the summer season. He referred to the language about the Board approving only "races of national prominence". The industry has had problems determining what "races of national prominence" are. The industry would like to fill out race cards with good quality races without going through the administrative hassle of determining a "race of national prominence". On page 3, the pool amount is raised from 24 to 25 percent. The reason this is important is it provides some uniformity with states around Montana (Idaho, Wyoming, South and North Dakota, and New Mexico). The same percentage would allow a larger pool resulting in larger payouts and happier constituents.

Proponents' Testimony:

Don Chance, Montana Fair Boards and Racetracks, stated simulcast horseracing was instituted several years to provide supplemental support for county fair facilities and horserace tracks and the Montana horsebreeding industry. Simulcast has been successful but after several years of experience in operation some fine tuning needs to be done to perfect the system. This bill makes two technical changes to the statute. The first change is to allow simulcast races of other than "national prominence". This will allow the tracks to fill out live race schedules on days when limited live horses are on the race ticket. This will allow simulcast to function better during the live race season and will generate more revenue for the support of Montana's horsebreeders, trainers and fair boards. The modification will not damage the horse industry or fair boards, but should help support the need for facilities. The bill modifies the exotic pool percentage from 24 percent up to 25 percent. This change is necessary to make Montana's simulcast consistent with other tracks around the country. Montana has such a limited betting pool on a simulcast race an individual could bet on a long shot horse and dramatically change the odds simply as a result of placing that bet. Going to a common pooling with a race track solves that problem. Montana's horsemen's interests, racetracks and fair boards worked cooperatively in developing these changes.

Gary Amundson, representing United Tote, a company based in Shepherd, Montana, is one of the larger businesses in the United States and Canada related to racing. Corporate headquarters are located on a cattle ranch in Shepherd, employing about 900 people

basically commercial kitchen regulations. Working with Bed and Breakfasts is to determine if there needs to be some exemptions for these small businesses.

REP. LARSON asked what the license fee for a tourist home was.

Mitzi Schwab answered that the fees are the same, \$50.

REP. BACHINI asked if the person that inspects according to HB 987 would be the same person who inspects according to HBs 988 and 989?

Mitzi Schwab said often it is the same person, especially in rural areas where there is a single sanitarian. Larger jurisdictions may specialize.

REP. STEPPLER referenced the propane leak in a motel mentioned in earlier testimony. Was that not a carbon monoxide leak?

Jim Carlson stated it was an improperly vented propane heater which gave off carbon monoxide.

REP. BACHINI stated there was no testimony from the hotels and motels.

Mitzi Schwab presumes hotels and motels have the same objections.

Closing by Sponsor:

REP. CROMLEY said these are housekeeping measures to clarify the relationship of the state and local health departments. The added provision of civil penalties is a less onerous type of enforcement than what is presently on the books. There is a fee increase, which will still be lower than states in our area. There is a definite need not only as a health matter, but a business matter.

EXECUTIVE ACTION ON SB 330

Motion: REP. ELLIS MOVED SB 330 BE CONCURRED IN.

Discussion:

REP. KILPATRICK asked if this is expanding gambling?

REP. BACHINI replied no. This bill regards salary.

REP. STEPPLER said there were several bills like this in Ag Committee, and state employees testified against the bills. He is curious why they were not here for this bill.

REP. BENEDICT said these are not full time employees, they are people who work 30 to 40 days a year. That is a little different. Rep. Benedict said he felt this was a good bill.

HOUSE BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE

March 19, 1991

Page 21 of 21

Vote: Motion that SB 330 be concurred in carried unanimously.

EXECUTIVE ACTION ON SB 363

Motion: REP. LARSON MOVED SB 363 BE CONCURRED IN.

Discussion:

REP. PAVLOVICH expressed interest in amending the bill. Prior to a year or so ago, he booked the three major races. Simulcast took them out of the picture. Rep. Pavlovich has a federal wagering tax stamp purchased every year to book the three races. He would like to put in the bill language that a beverage licensee who owns a federal wagering tax stamp would be allowed to book the three major races of the year.

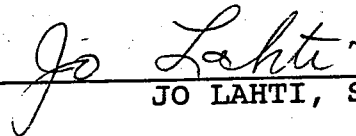
Vote: Motion that SB 363 be concurred in carried 15 to 3 with Reps. Wallin, Barnett and Stepler voting no.

ADJOURNMENT

Adjournment: 10:45 a.m.



BOB BACHINI, Chair



JO LAHTI, Secretary

BB/jl

BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

DATE 3/20/91

ROLL CALL

[illegible]

HOUSE STANDING COMMITTEE REPORT

March 19, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that Senate Bill 330 (third reading copy - blue) be concurred in .

Signed: Bob Bachini
Bob Bachini, Chairman

Carried by: Rep. Swysgood

EXHIBIT 1
SB 330
3/19/91

POSITION STATEMENT

HORSE RACING STEWARDS

The racing stewards hired by the executive secretary for the Board of Horse Racing have been employed and paid for the past 15 years at a daily rate which is set each year by the Board. This rate has been historically determined on the basis of rates paid stewards in neighboring states. It has recently been brought to our attention by the State Personnel Division that these employees are not being compensated appropriately according to state compensation rules because they are not included in the "exempt from classification" status in the MCA's.

Horse Racing stewards have the responsibility for insuring that all Rules of racing are strictly adhered to at each live race meet as well as having the overall responsibility of insuring the integrity of the on-track racing industry.

The alternatives offered by state personnel included attempting to classify the employees within the state classification system or, as an alternative, to contract for the services of the state stewards.

The option to classify the state stewards is not realistic because the daily rate paid for their services was set at \$170.00 per day for race days and \$100.00 per day for draw days. This \$170.00 daily rate if annualized would be equivalent to a grade 20, step 11. It is not realistic to expect that State Personnel would classify these employees at that level for the duties being performed. In addition, state stewards are not employed in the same fashion as a "normal" state employee. The work is seasonal, lasting usually from May through September. A number of people are employed as state stewards and they are assigned to work certain race meets. This means that as individuals they may be employed anywhere from 8 to 40 actual working days. In aggregate, all of these individuals comprise no more than one full-time equivalent position. Therefore, although the daily rate seem high, as individuals they do not earn a substantial amount of money and the amount paid is in line with opportunities in surrounding states.

An alternative to classification involves contracting with these individuals to act as stewards at state race meets. This option has been evaluated extensively within the agency and, while it is a viable option, it does not represent the best alternative. The Board would still be required to pay an equivalent amount under contract in order to employ these people. In addition, the Board would pay considerably more for workers compensation for these individuals as private contractors than would be the case where they are paid as state employees. It is likely that contracting in this particular situation would adversely affect the Boards expenses. This is particularly onerous given the fact that board

SB 330
3/19/91

revenues have been decreasing steadily over the last several years primarily due to the increase in casino type gambling in Montana.

A third option which represents the best policy alternative for the Board of Horse Racing is to amend state statute so that the state stewards can be compensated as exempt employees. Again, this is an aggregate position which in total represents on FTE. This is the least costly alternative, the only practical alternative, and continues a method of compensation which has been in place for about 15 years.

SB 3

Exhibit # 2
3/19/91 SB 330

BEST COPY
AVAILABLE

lit #2

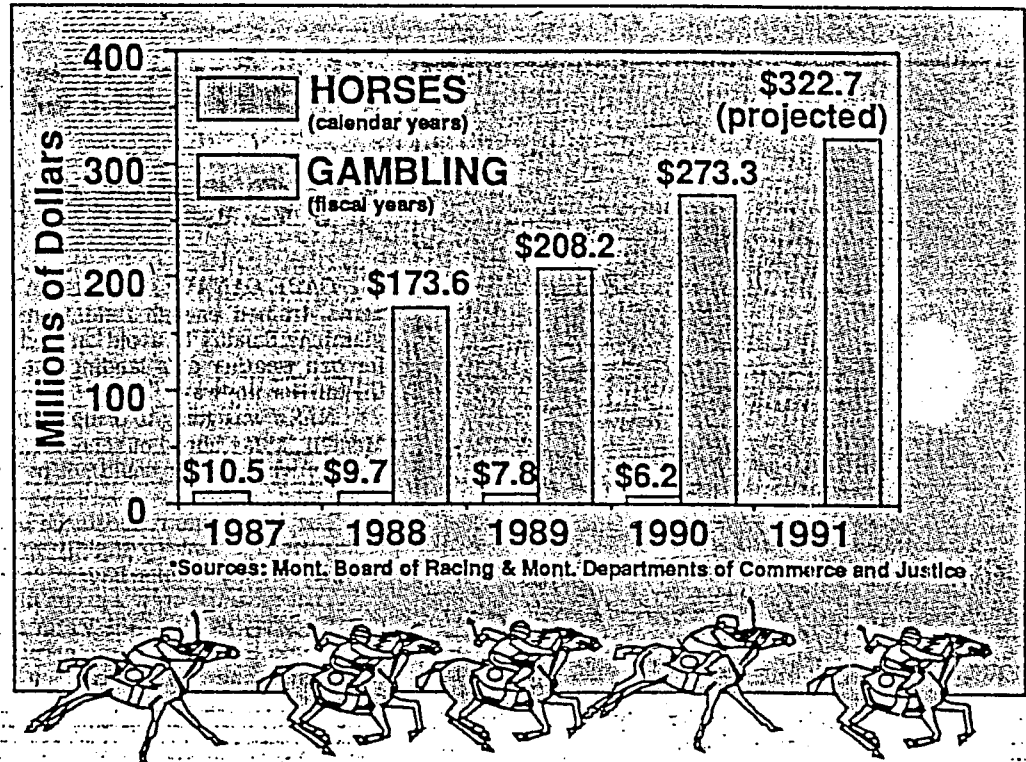
et on less horse racing next year

AIR JOHNSON
Gazette Staff

12-10-90
Horse racing at MetraPark has always been like a sure bet, but not anymore. Financial problems that have been building for several years hit home recently. The racing budget is broke, and without funds expected to come in the next few months, the budget will finish an estimated \$40,000 in the hole. Even with the cuts, including elimination of the racing director's position, the ending balance of \$779 would seem close to call, considering the budget started at \$5 million.
What is a safe bet is that racing will be difficult next year. Some might wager that there will be no racing at all, but the odds are that it will happen.
Although county commissioners have said they will end it if it can't pay for itself, the MetraPark Board supports horse racing. Horse racing groups, which historically have played a major role in shaping the event, also have an interest in seeing racing continue.
MetraPark staff and board members are struggling to figure out if there can be a race next year.
Some of the options being considered in-

Perspective

clude cutting back race dates from the 32-day season (which includes the fair and fall meet), lowering the minimum amount offered for purses, amending contracts to cut costs for services like manure removal and increasing revenues through possible stall fees and more corporate sponsors.
Other ideas being kicked around include turning racing over to the private sector, maybe sharing costs with other tracks in the state and hiring a consultant for help.
Those possibilities and others are expected to be discussed during a special MetraPark Board meeting at 2 p.m. Dec. 13, at which public comment will be invited.
How did racing get into such trouble? Why can't MetraPark simply carry the debt over to next year? Who stands to lose if racing goes away? How does simulcast racing (telecasting races from other areas into a track) figure into the picture?
Simple answers are difficult to find because there is nothing simple about horse racing.
(More on Racing, Page 7A)



BEST COPY
AVAILABLE

Racing

From Page One

Ex. 2
3/19/91
SB 330

ing, a complicated event that offers big payoffs to lucky bettors and splits dollars wagered into percentages of percentages to pay the owners, trainers, jockeys and the track. But there are some explanations for racing's predicament.

Most of racing's problems can be traced back to the handle, which is the amount of money wagered on a race. The handle is the big pot from which winnings as well as most expenses are paid.

The total handle from all state tracks has been on a steady downhill slide since 1984. The real fall-off, though, began in 1987.

That was the same year the state's lottery began, followed shortly thereafter by expanded gambling with electronic poker and keno machines.

The statewide handle has dropped 41 percent from \$10.5 million in 1987 to \$6.2 million in 1990. MetraPark's handle in 1990 was off 24 percent.

Meanwhile, total dollars wagered on the lottery and electronic gambling machines have skyrocketed about 86 percent during the same period — from an estimated \$173.6 million in fiscal year 1988 to a projected \$322.7 million for fiscal year 1991, according to state gaming officials.

Concern from racing industry folks that other

forms of gambling are cutting into the handle appears well founded judging from the numbers. And with talk of expanded gambling in the form of live "21" card games, the horse racing handle could drop even more.

Despite attempts to attract spectators to the track through promotions, beer and liquor sales, concessions and cleaner grandstands, people simply aren't betting what they used to on the ponies.

MetraPark's deficit in the racing budget can't be carried over to next year for several reasons. Unlike past years, the racing budget no longer has any cash reserves to soften the losses. And unlike other county funds, the racing budget receives no tax dollars. The budget is supported solely by pari-mutuel betting, concessions and admission sales.

County Finance Director Scott Turner said the county is not inclined to loan money to racing because the question remains, "Are they able to pay it back?"

Racing would have to present convincing evidence that the industry was turning the corner before the county would loan it money, Turner said.

County commissioners also have made it clear that Yellowstone County will not allow a deficit in the racing budget. Period.

So far, simulcasting has not generated the anticipated revenues at MetraPark. The simulcast program involves telecasting races during the live race meet, sending out MetraPark's live races to other Montana cities and simulcasting races from out-of-state tracks during the winter season.

MetraPark's simulcast winter season is held on the weekends at the Turf Club in the grandstands.

Authorized by the 1989 Legislature with strong support from the racing industry and county fairgrounds, simulcasting is intended to promote racing by putting more money into purses and race tracks.

But now, some racing organizations are critical of how simulcasting is being operated, and MetraPark officials are trying to decide whether its winter season can break even after getting off to a disappointing start.

Who stands to lose if racing were discontinued at MetraPark?

Certainly the most directly affected would be those who make their living from breeding, training and racing the thoroughbreds.

The Midland Horse Racing Association, a Billings-based group of horsemen, says that racing at MetraPark is a \$4 million benefit to the Billings community. Horsemen, who park their trailers on the backside of the track during the season, also contribute to the economy by buying groceries and other supplies.

Spectators who go the races would have to find another form of entertainment.

Although tax money doesn't go into racing, the taxpaying public also stands to lose. MetraPark's barns, track and grandstand were built with help from tax dollars to provide a place for horse racing and other events. An empty bleachers and track won't provide a return on the investment.

**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE

BILL NO. SB 330
SB 363

DATE March 19, 1991 **SPONSOR(S)** SEN. MANNING (Sen. Doherty)

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Gary Amundson 10115 Cabin Creek Rd Shepherd, MT 59079	United Tote	✓	
SAM MURPHY	Bd. of Horseracing	✓	
Jay Belden	Montana State Fair	✓	
Jeffrey L. Brazier	Horsemen's Benevolent & Protective Assn	✓	
Kenneth F Smith	Central MT Health Dist Lewistown	✓	
Al Hoke	Horsemen's Ben. & Protective	✓	
Andy Poole	Commerce	✓ SB330	

**PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS
ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.**

3/19/91

John Scott

SB 330

Yes AS Amended Yes

SB 363

Yes AS Amended Yes